

MINUTES
Town of Crested Butte
Regular Town Council Meeting
Monday, October 4, 2021

Mayor Schmidt called the meeting to order at 7:06PM.

Council Members Present: Chris Haver, Jason MacMillan, Jasmine Whelan, Ian Billick, Mona Merrill, and Mallika Magner

Staff Present: Town Manager Dara MacDonald

Town Attorney John Sullivan, Town Clerk Lynelle Stanford, Public Works Director Shea Earley, Finance Director Rob Zillioux, Community Development Director Troy Russ, Recreation, Open Space, and Trails Supervisor Joey Carpenter, Parks, Recreation, Open Space and Trails Director Janna Hansen, and Town Planner II Mel Yemma (for part of the meeting)

Schmidt mentioned the preceding double work session on rec path improvements and the Nordic cat barn/public restroom and a presentation regarding the Fire District's service plan, strategic plan, and ballot measure.

APPROVAL OF AGENDA

Billick added discussion to Other Business regarding an appointment to the Valley Housing Fund.

Haver moved and MacMillan seconded a motion to approve the agenda as presented. A roll call vote was taken with all voting, "Yes." **Motion passed unanimously.**

CONSENT AGENDA

1) September 20, 2021 Regular Town Council Meeting Minutes.

Staff Contact: Town Clerk Lynelle Stanford

2) September 27, 2021 Special Town Council Meeting Minutes.

Staff Contact: Town Clerk Lynelle Stanford

3) Resolution No. 21, Series 2021 - A Resolution of the Crested Butte Town Council Approving an Amendment to the Telecommunications Facilities Lease with Visionary Communications, Inc. for the Installation of Facilities and Transmission of Internet and Other Telecommunications Services in Three Town Owned Properties.

Staff Contact: Finance Director Rob Zillioux

4) Resolution No. 22, Series 2021 - A Resolution of the Crested Butte Town Council Approving the Contract for Use of the Big Mine Ice Arena by Gunnison Valley Hockey Association for the 2021-2022 Winter Season.

Staff Contact: Parks, Recreation, Open Space and Trails Director Janna Hansen

5) Whetstone Affordable Housing Project's Project-Statement Desired Goals and Charrette Results Comment Letter.

Staff Contact: Community Development Director Troy Russ

6) North Village Preliminary Planned Unit Development Comment Letter.

Staff Contact: Community Development Director Troy Russ

7) Approval of the 2021-2022 Snow Plan.

Staff Contact: Public Works Director Shea Earley

8) Community Compass Letter to the Editor from the Town Council.

Staff Contact: Community Development Director Troy Russ

Schmidt removed #5 and #6 from the Consent Agenda. Discussions on the letters were added to New Business.

Haver moved and Merrill seconded a motion to approve the Consent Agenda with the deletion of the Whetstone and North Village, #5 and #6, letters. A roll call vote was taken with all voting, "Yes." **Motion passed unanimously.**

PUBLIC COMMENT

Crockett Farnell - 201 Sopris Avenue

- He addressed the North Village letter that was removed from the Consent Agenda because he wanted to provide background for the discussion.
- Schmidt informed him the Council would discuss the letter under New Business.

Kelly Sudderth - 412 South Taylor in Gunnison

- She wanted to speak about the North Village PUD application.

STAFF UPDATES

- MacDonald informed the Council the investigation was proceeding at 6th and Butte on methane levels related to the VCUP. The investigation had to be done before winter, and it would be incorporated into the budget amendment.
- MacDonald announced that the fifth graders toured the Wastewater Treatment Plant.
- Magner questioned the cost of the Zen for Business sessions. MacDonald explained the sessions were part of the onboarding for new Council members. Council members voiced doubt regarding the time commitment and cost. Magner acknowledged none of it was substantive, and it was strictly interpersonal. Haver

thought it would help to have more education in the process on how the Council worked together. Merrill suggested that people either participate in the first four sessions or just the first one. Haver was looking at the first two. Billick summarized that Council members could complete the first two trainings, and they could revisit.

- Schmidt was surprised that grocery sales were down. Regardless, Town sales tax was up 15%.
- Magner and Schmidt voiced appreciation for ongoing follow up regarding the Post Office.

LEGAL MATTERS

Sullivan reported that Town received a letter on the national opioid settlement. Staff would complete the necessary paperwork, and it would come back to the Council, possibly in the form of a resolution. Town could receive \$2,700. MacDonald identified they were looking for a large number of municipalities to participate.

PUBLIC HEARING

1) Ordinance No. 18, Series 2021 - An Ordinance of the Crested Butte Town Council Granting a Conservation Easement to the Crested Butte Land Trust for Kikel Lot 3.
Staff Contact: Parks, Recreation, Open Space and Trails Director Janna Hansen

Schmidt read the title of the ordinance. Schmidt confirmed proper public notice had been given.

Carpenter explained background and past actions regarding the project. There had not been substantial changes to the ordinance. Carpenter outlined small changes since the first reading regarding timber harvesting, cross-country grooming, and the Environmental Site Assessment.

Schmidt opened the public hearing. No one from the public commented, and the public hearing was closed.

MacMillan moved and Haver seconded a motion to approve Ordinance No. 18, Series 2021 to grant a Conservation Easement to the Crested Butte Land Trust for Kikel Lot 3. A roll call vote was taken with all voting, "Yes." **Motion passed unanimously.**

NEW BUSINESS

1) Whetstone Affordable Housing Project's Project-Statement Desired Goals and Charrette Results Comment Letter.

Staff Contact: Community Development Director Troy Russ
(From Consent Agenda)

Billick recommended that the letter should express a little more support for the project within the context of addressing the transportation and intersection issues. He thought they had to be super careful in communicating. He would appreciate language, which he specified, be stated more positively. Schmidt thought it was important for the school district to know the potential number of children related to the generation of students that would be living there. Haver noticed wording under the Design Charrette and Initial Concept section that should be changed. Russ recognized they wanted to be sure it was a transit-oriented design.

Magner moved and Merrill seconded a motion to approve the comment letter for Whetstone Affordable Housing Project's Project-Statement Desired Goals and Charrette Results, subject to the Mayor's final review. A roll call vote was taken with all voting, "Yes." **Motion passed unanimously.**

2) North Village Preliminary Planned Unit Development Comment Letter.

Staff Contact: Community Development Director Troy Russ
(From Consent Agenda)

Billick recused himself, explained his reasoning, and he left the Council Chambers.

Schmidt suggested a different salutation for the letter. Russ provided context for the letter, including that the letter was intended to ask for more information. Schmidt had an issue with the word, woefully, as it related to transportation.

Crockett Farnell - 201 Sopris Avenue

- He wanted to offer clarity on points made in the letter.
- He thought the letter came off as severely aggressive and misinformed.
- They vetted methodology for transportation with the Mt. Crested Butte town staff and the manager, and they made the determination of what and what time periods to study. They fulfilled what was asked of them.
- He explained the traffic counts and how they were calculated.
- The density being requested was an almost 50% reduction in what was contractually required.
- He was not sure how the project would be burdensome on Mountain Express.
- There would be a vastly reduced impact on both water and sewer facilities, and the facilities were adequate.
- He clarified the 17 affordable housing units were an additional requirement of the annexation agreement that had nothing to do with the development itself. The 17 units went over and above what was required for the base development.
- Any tract on the site had to produce the affordable housing units for density prior to the issuance of the certificate of occupancy (CO).
- Farnell identified there would be 700 residential units and 200 hotel rooms.
- He described recreational impacts and proposed facilities.

Kelly Sudderth - 412 South Taylor in Gunnison

- She spoke on behalf of the Rocky Mountain Biological Laboratory (RMBL) as the Chief Operating Officer.
- RMBL was particularly concerned about transportation and the impacts of tourism.
- They concluded, that given Mt. Crested Butte's previous approval, they were pleased to see a reduction in the proposed density.
- They saw this as one of the most promising opportunities for community housing.
- She recognized confusion about recreation mitigation and affordable housing requirements.
- They would ask to separate the decision to recommend approval of the PUD application from an information gathering exercise and use the information to develop strategies through the collaborative regional process.

Russ pointed out Town did not recommend denial or approval; they were asking for more information.

Jim Starr - 323 Gothic Avenue

- They talked about regional planning for decades.
- As far as the letter itself, it came across as negative.
- Farnell did a good job of pointing out facts of the situation.
- There was the opportunity for affordable housing.
- He valued the comments on transportation.

Schmidt asked how many students there would be. Everything that went up to Mt. Crested Butte had to go through Town. Merrill appreciated the letter showing concerns of becoming a small city. Russ explained they had to embrace transit as the solution, and more time was needed to study it. They were not seeing tie-in of design to guarantee 15% transit ridership. Programmable recreational space was needed. MacDonald elaborated by providing context regarding the recreational space. MacMillan asked Earley about the issue with sludge. Earley identified the question was whether Town had capacity. Haver questioned options if Town did not have capacity. Haver read the letter and the previous one as somewhat aggressive. They wanted to get across in the letters they were supportive of the work done on the projects and wanted them to move forward, and to move forward and take proper care of the communities, they had to look at other issues holistically. Whelan thought they needed a conversation that building could actually exacerbate the affordable housing crisis. Magner recognized they wanted to work together, and tone mattered. MacMillan asked whether 15% of units designated as affordable housing would be enough and whether they wanted to speak to the development meeting Mt. Crested Butte's minimum requirements. Russ said they could work on tone. He was trying to stay within the perspective of what would impact Town. Russ recognized the North Village project was much further along compared to Whetstone.

Haver moved and MacMillan seconded a motion to okay the North Village Preliminary Planned Unit Development comment letter as amended.

Kelly Sudderth

- She pointed out the sentence reflecting that Town was not recommending approval of the project.
- MacDonald clarified Town was asking the Town of Mt. Crested Butte to take the time to collect the information. Town was asking Mt. Crested Butte to avoid taking action until they gathered information and analysis.

A roll call vote was taken with all voting, “Yes,” except for Billick, who had recused himself and did not vote. **Motion passed unanimously.**

3) 2022 Budget Discussion.

Staff Contact: Finance Director Rob Zillioux

Zillioux reported concerning the inflation numbers related to compensation and the enterprise fund rates. Models reflected a 5% merit increase. Staff would recommend increasing the 5% to 8%, of which 4% would be a cost-of-living increase. In the enterprise fund, Staff suggested Town had to raise rates 20% to cover the debt service of projects.

Zillioux also wanted to keep a healthy reserve. It would be prudent to save money for emergencies and smaller projects that came up over time. The 20% rate increase jumped out to Schmidt. Schmidt questioned what would happen next year. MacDonald stated they could come back with a refresher on projects within the 20-year timeframe. Staff received the results of the rate study and could come back with a report on rate increases moving forward. Magner was concerned about the working people of the Town. Magner questioned the revenue budget. MacDonald confirmed Town had to look at debt issuance to complete necessary projects.

Lindsey Freeburn - 506 5th Street

- She asked whether the increase could be paired with GV Heat to support the middle class.

Earley pointed out they were looking further ahead, and there was a different philosophy with the capital improvements plan. Schmidt thought it was tough to pay for things 20 years out. Billick acknowledged the Town had to have a strategy if they were truly moving into high inflation. Pay raises would hit different segments of the economy at different times.

The discussion became focused on the fee schedule. Sullivan confirmed there was a requirement to provide access to body cam footage. Schmidt questioned the fee to calculate the maximum sales price of an affordable housing property. MacDonald said the Town would not be charging for the calculation. Schmidt wondered about the gravel pit permit.

Schmidt asked about the process moving forward. Billick requested a summary on the Town’s mills and where Town was in relation to maxing out. Magner wanted to discuss

attorney fees. MacDonald identified \$16K a month for attorney fees was included in the draft budget. Magner was interested in information with respect to the cost-of-living increases.

4) Ordinance No. 19, Series 2021 - An Ordinance of the Crested Butte Town Council Amending Section 13-1-120 of the Code to Increase the Minimum Monthly Service Charge Per Meter for Water Used At a “Base Rate” to \$37.50 Per Month Per EQR and a 20% Increase to Rates for Usage Beyond One EQR; Amending Section 13-1-150 of the Crested Butte Municipal Code to Increase the Monthly Service Charge for Sewer Service to \$48.50 Per Month Per EQR; Amending Section 13-1-110 of the Code to Increase System Development Fees for Water and Sewer Each by 20%.

Staff Contact: Finance Director Rob Zillioux

Schmidt read the title of the ordinance. Billick asked whether the 20% increases could be reduced, and it was affirmed the increases could be.

Haver moved and Merrill seconded a motion to set Ordinance No. 19, Series 2021 for public hearing at the October 18th regular Council meeting. A roll call vote was taken with all voting, “Yes.” **Motion passed unanimously.**

5) Good Deed Program Overview.

Staff Contact: Community Development Director Troy Russ

Russ introduced Willa Williford and Jennifer Kermode. Williford provided an overview of Good Deed. The committee had been working since May. Williford listed participants in discussions on the program. They were gathering feedback and asking for funding. Williford identified the mission and geography of the program. She pointed out the name, Green Deed, and the logo. The program was about preserving existing stock. Williford reviewed what properties would be eligible. Schmidt asked about eligibility of occupants and whether just one person had to be eligible. Kermode answered that at least one owner or one occupant would be qualified with local employment. It was in the best interest of the program that the terms were the same as the deed restrictions. The program would not be marketed to second homeowners. Williford reported on the plan for administration. She confirmed the deed restrictions went with the properties when sold. MacMillan asked whether different municipalities could use the system and purchase their own deed restrictions beyond the budgeted \$100K, which they could.

6) Ordinance No. 20, Series 2021 - An Ordinance of the Crested Butte Town Council Amending Chapter 4 of the Town of Crested Butte Municipal Code to Add Article 11, Community Housing Tax, Amending Article 2, to Increase Sales Tax, Amending Article 3, to Increase Use Tax, and Amending Section 4-9-40 to Increase the Vacation Rental Excise Tax.

Staff Contact: Community Development Director Troy Russ and Finance Director Rob Zillioux

Schmidt read the title of the ordinance. Russ pointed out the draft ordinance included in the packet. Russ explained the history of the discussions that resulted in the ordinance. MacDonald pointed out the tweak to the definition of primary residence that was aimed at renters. They wanted to have a resident-emphasis and focus. The food for home consumption piece referred to the State's tax exemption for food. The ordinance would only become effective if the relevant tax question was passed. The grant aspect, discussed at the last meeting, would not be effective until 2023. MacDonald stated the grants would be an annual funding decision made by the Town Council.

Magner moved and Haver seconded a motion to set Ordinance No. 20, Series 2021 for public hearing at the October 18th meeting. A roll call vote was taken with all voting, "Yes," except for Schmidt, who voted, "No." **Motion passed.**

7) Ordinance No. 21, Series 2021 - An Ordinance of the Crested Butte Town Council Modifying a Land Use Definition of Congregate Housing and Allowing It as a Conditional Use Within the Tourist Zone District, Amending Articles 1 and 5 of Chapter 16 of the Town Code.

Staff Contact: Community Development Director Troy Russ

Schmidt read the title of the ordinance. Russ explained the background, including that BOZAR recommended Council approve the ordinance. Russ identified the condition that the housing would be for the purpose of affordable housing. Magner asked whether Academy Place could come and ask for congregate housing. Russ said BOZAR would have the ability to deny, and the request would most likely fail under the conditional use request.

Haver moved and Merrill seconded a motion to set Ordinance No. 21, Series 2021 for public hearing at the October 18th meeting. A roll call vote was taken with all voting, "Yes." **Motion passed unanimously.**

COUNCIL REPORTS AND COMMITTEE UPDATES

Schmidt referred to updates included in the packet. No one from the Council had questions on what was included in the packet. Schmidt noted Mountain Express was the only agency that was not bringing in temporary drivers from out of state.

OTHER BUSINESS TO COME BEFORE THE COUNCIL

Schmidt wanted to make a proclamation honoring three people who worked incredibly hard with COVID: Joni Reynolds, Arden Anderson, and Leslie Nichols from the school. Magner and he would work on the proclamations. No one on the Council voiced disagreement.

Schmidt recognized the photos taken of previous councils. He confirmed everyone would attend the next Council meeting, and the photo would be taken at the next meeting on the 18th.

Billick proposed Whelan be appointed to the Valley Housing Fund. Magner wanted to discuss the appropriateness of Council members serving on committees. There was now an issue with The Chamber and the BOLT funding. Haver recognized it was easy to add boards to the Council priorities, and they were creating a bigger job. Billick thought appointments should be driven by the interests of the Council members. Magner acknowledged it was less about workload and more about the tricky positions they were finding themselves in as board members and Council members. Sullivan clarified regarding conflicts of interest. Sullivan referred to the Town Code and the definition of affiliate. Whelan felt conflicted. She explained the impetus behind her thinking it was a good idea. There had not been a ton of communication with the Valley Housing Fund and having more communication and Council involvement would be beneficial. Whelan took Magner's point and asked whether she could serve through a non-voting role. Furthermore, she wondered whether someone could attend meetings for communication purposes. Sullivan confirmed Whelan could serve as a non-voting member. Billick was agreeable to appointing Whelan as an observer.

Billick moved and Merrill seconded a motion to appoint Jasmine as a non-voting member and observer in a non-fiduciary role to the Valley Housing Fund. A roll call vote was taken with all voting, "Yes." **Motion passed unanimously.**

DISCUSSION OF SCHEDULING FUTURE WORK SESSION TOPICS AND COUNCIL MEETING SCHEDULE

- Monday, October 18, 2021- 6:00PM Work Session - 7:00PM Regular Council
- Monday, November 1, 2021- 6:00PM Work Session - 7:00PM Regular Council
- Monday, November 15, 2021- 6:00PM Work Session - 7:00PM Regular Council

EXECUTIVE SESSION

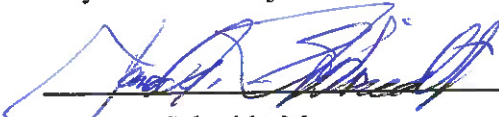
Schmidt read the reasons for Executive Session: for the purpose of determining positions relative to matters that may be subject to negotiations, developing strategy for negotiations, and/or instructing negotiators, under C.R.S. Section 24-6-402(4)(e) Youth Hostel and Good Deed Acquisition and for the discussion of a personnel matter under C.R.S. Section 24-6-402(4)(f) and not involving: any specific employees who have requested discussion of the matter in open session; any member of this body or any elected official; the appointment of any person to fill an office of this body or of an elected official; or personnel policies that do not require the discussion of matters personal to particular employees, for follow up on the review of the Town Manager.

Merrill moved and Haver seconded a motion to go into Executive Session. A roll call vote was taken with all voting, "Yes." **Motion passed unanimously.**


The Council went into Executive Session at 10:18PM. The Council returned to open meeting at 11:08PM. Mayor Schmidt made the required announcement upon returning to open meeting.

ADJOURNMENT

Mayor Schmidt adjourned the meeting at 11:09PM.



James A. Schmidt, Mayor



Lynelle Stanford, Town Clerk (SEAL)

